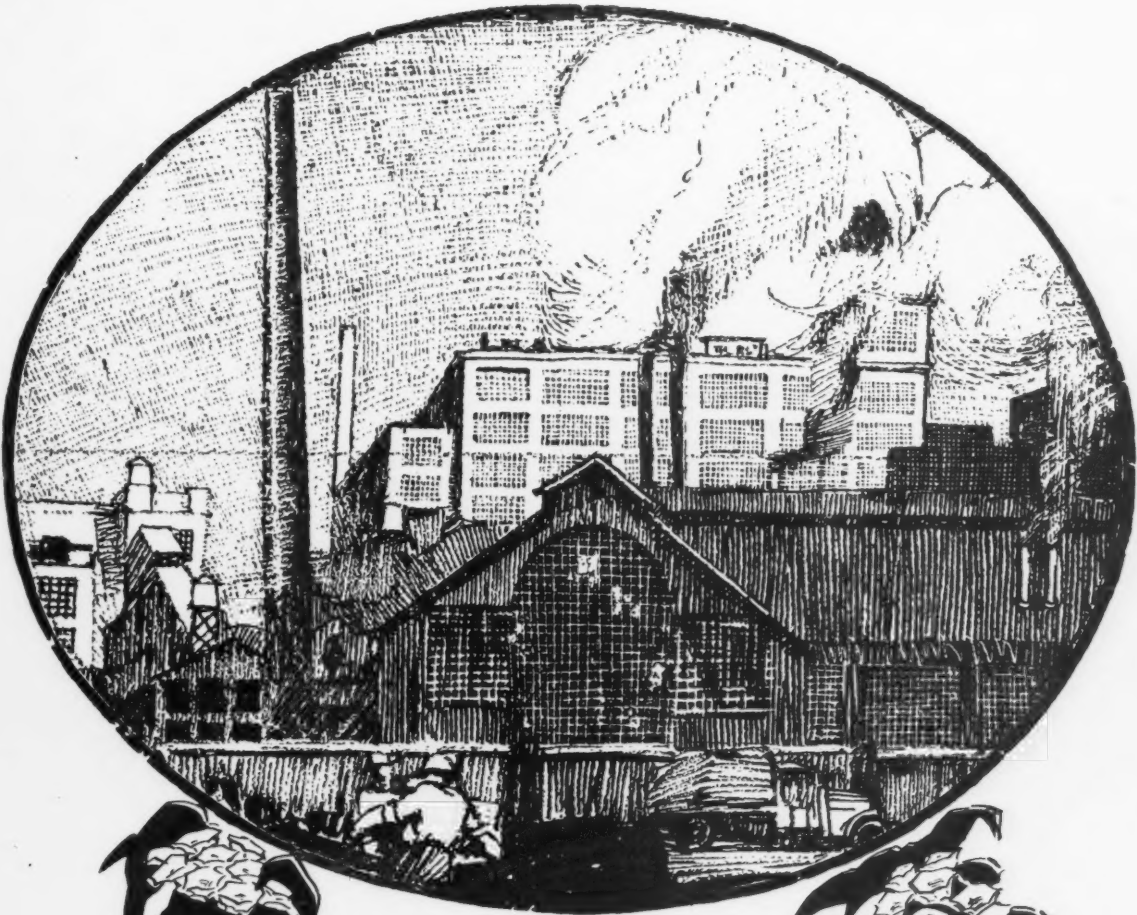


JULY



# CONNECTICUT INDUSTRY

PUBLISHED BY

The Manufacturers Association of Connecticut, Inc.

1924

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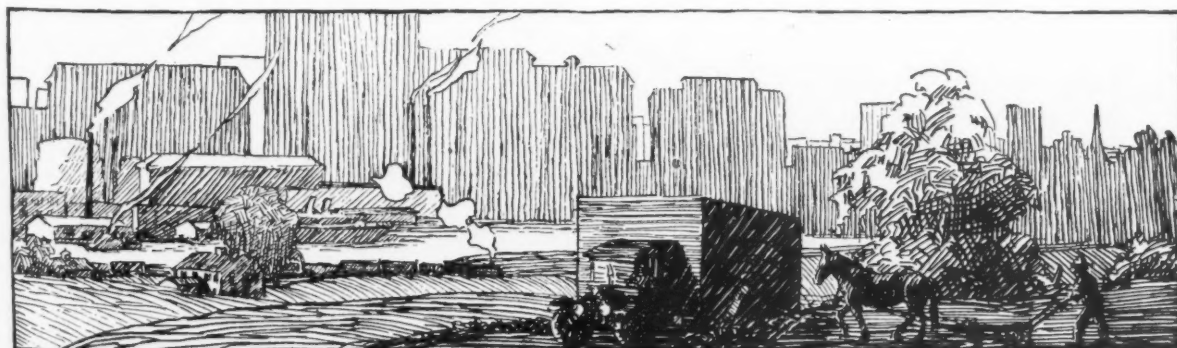
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## "TAXATION WITHOUT REPRESENTATION IS TYRANNY"

The belief of those indomitable patriots who fought so persistently and successfully for American independence is applicable to our present-day situation.

Taxation without representation is still tyranny, and yet those who bear the greatest burden of taxation are to a great measure unrepresented or misrepresented. The manufacturers of the State of Connecticut assume by far the greatest burden of the state tax — from 54% to 75%, dependent upon the type of taxes considered.

One need not make an exhaustive investigation nor delve into pre-war history in order to determine that our system of representative government is weakening in practice through failure of representatives to recognize the desires of constituents. The manufacturer is taxed but is deprived of representation. His needs are for the most part disregarded. He is bled upon the basis of "all that the traffic will bear."

That this situation exists is not to be disputed. The contrary cannot successfully be upheld. This being true, there remains, first, to place the blame and second, to apply the remedy.

The blame must be placed at the door of the victim, the manufacturer. The remedy lies in the hands of the same individual.

How many manufacturers of the management and sub-management class take a really constructive interest in government? How many lend their energies to the selection of sound-thinking men for public office? How many go to the polls to vote for such men after they have been selected, or cast a vote against the nominee who will, if elected, do everything in his power to secure the enactment of laws which are contrary to public policy?

Remember that taxation is one of the duties and obligations of citizens. Remember that to vote is not a privilege but a duty. Remember that every citizen must vote if he is to be represented, and remember that taxation without representation is tyranny now as it was one hundred and forty years ago.

Send competent men to the state legislature, and you may attend to your own duties during the period from January to June, 1925. If the men whom you send prove themselves to be incompetent, do not return them in 1927 — a simple solution to a most perplexing and troublesome problem.

*Robert S. Hubbard*

## CAN TAXES BE REDUCED?

By W. IRVING BULLARD

*Vice-President and General Manager, E. H. Jacobs Manufacturing Company, Danielson, and member of Committee on Finance and Taxation.*

During my experience as a member of the Executive Committee of the Associated Industries of Massachusetts, as a Vice-President of the Boston Chamber of Commerce, and as Treasurer of the National Association of Cotton Manufacturers, I can say frankly that I have never known a committee more conscientious and able to do more constructive work than the Committee on Finance and Taxation of the Manufacturers Association of Connecticut. It is the most effective committee of any civic organization that I have ever known.

No one can deny the possibilities of reducing taxes if the citizens of this mighty nation will submit to retrogression in the standards of living and reverse the present forward movement of civilization. And by the same token taxes can be reduced if the voters of our land will take an active and continuing interest in public affairs.

With a single gesture we cast aside the first proposition as absurd. Progress and evolution depend upon an increasing evaluation of life. The war with all its curses brought new standards of living and values to the civilized countries and peoples and the future must be builded on these new foundations.

The second proposition has greater possibilities than we dare to admit. The great movement to Americanize our immigrants should be broadened to include the American-

ization of Americans. Teach our voters, men and women, the responsibilities of citizenship and we will see taxes reduced to a level of tolerance and general approval.

Taxation is just as much a permanent part of our social order as the immutable laws of supply and demand. All life is based upon co-operative effort and the taxes we pay should express our fair share and participation in governmental, co-operative movements. Most of us submit to taxation because of the assessment of penalties and reprisals — and we do it grudgingly. But give the American people just and equitable distribution of taxes and they will be paid cheerfully. First we must define "just and equitable!" I know of



W. IRVING BULLARD

no practical formula for such a definition unless it is an understanding by the subjects of taxation of the principles of taxation; and this understanding can only come when the responsibilities of citizenship are understood and accepted by our citizens. Governmental budgets, for the expenditures of moneys, are made and adopted by the political representatives of our citizens,—the men you and I nominate, elect and delegate to express our voice in governmental affairs. Taxes are based upon budget requirements and therefore it is obvious that in the final analysis the voters and citizens create, establish and distribute the affairs of taxation through their legally appointed at-



torney or proxy for that is exactly the office of our state and federal legislators.

Now that we have brought the chicken home to roost what are we going to do about it? Shall we continue our indifference in public affairs and exercise the evil power of partisanship or shall we inform ourselves and take a more active and continuing interest in the affairs of town, county, state and nation? I answer for you and say unqualifiedly and unreservedly that we must arouse the political conscience and intelligence of our citizens to the fullest responsibilities of living in this progressive age.

Down through the generations of American history our forefathers have had to think, and study, and analyze, and literally struggle for progress. Are we so proud, so self satisfied, so contented, so successful, so wealthy that we cannot use our native talents to renew the fight for progress?

We cannot look to the sea with a clear vision for our markets if we oppress the producers of power, inland transportation and communication with unjust or burdensome taxes. The whole structure of our business life is so intricate and interdependent that we must equally and justly distribute the burdens of taxes and overhead. Import taxes, export taxes, terminal taxes and every type of excise tax directly affects the welfare of more than 25,000,000 workers in this country. The 1325 silk mills in this country and the 500 establishments for the manufacture of rubber, employing more than 250,000 workers who earn more than \$200,000,000 a year in wages, depend upon the uninterrupted and economical flow of silk and crude rubber from various points of the world.

Just a few words about our financial institutions. In the Federal Reserve System and its member banks we have the strongest banking system in the world and the greatest reservoir of credit. No business or stock market condition can ever create a financial panic in this country under our present elastic and sound banking laws, but let the demagogue and irresponsible politician change our banking laws and crash will go the whole structure. Levy unfair taxes on banking institutions and you have another serious evil. Let me give you a few figures about the investment of banks and capital in real estate loans. More than \$24,000,000,000 is the staggering sum invested in loans secured by farms, homes and business properties in the United States. This is more than double the Allied Debt to the United

States and more than all the loans and discounts of all national banks and trust companies that are members of the Federal Reserve System which totals \$11,000,000,000. It is greater by three billions of dollars than the total gross public debt of the United States.

The purchase of 8,714,000 city and farm homes in this country, sheltering 22,000,000 people, has been made possible by such credits and more than 1,500,000,000 of annual interest is being paid on such loans and about the same amount reinvested each year in such loans. The number of homes, not farms, ownership of which is held subject to a mortgage, totals 6,987,385 with a total debt of nearly \$15,000,000,000.

Every mortgagor and mortgagee has a direct and vital interest in property and income taxes. Arouse this mighty army of home owners to the problems of taxation and then see whether or not presidential vetoes on taxation bills are sustained.

The vital force and power of knowledge and organized action is no clearer demonstrated than in the achievement of certain branches of skilled labor. Bricklayers, by studying their craft problems, have succeeded through an organized effort in securing \$1.50 per hour or \$12.00 per day for eight hours of work, carpenters are now getting \$1.31¼ per hour in New York and common labor 68¾ cents per hour.

These illustrations typify the potential power of citizens when aroused to personal and collective responsibilities. Arouse the bricklayer, the carpenter, the steel worker to the personal interest that he should take in political and civic affairs and you will set in motion a compelling force that will influence the economy of public expenditures and create lower taxes.

I say, frankly, that taxes can be controlled, equitably distributed and reduced, but first we must make the citizens of our country accept the responsibilities of citizenship so that the voice of the people may ring clear and true in the legislative halls.

Mr. Bullard's address, delivered at the Association's tax meeting held in Putnam on June ninth, was one of several speeches made that day by members of the Committee on Finance and Taxation. Further reference to the meeting will be found on the next page.

## ASSOCIATION ITEMS

## TAX MEETING IN PUTNAM URGES MORE INTEREST IN LOCAL GOVERNMENT

On June 9, the Association held a special tax meeting in Putnam for the purpose of bringing together members in the eastern part of the state to meet with the Committee on Finance and Taxation and to discuss taxation matters of more or less local interest.

The co-operation of the Manufacturers Association of Eastern Connecticut and of the New London and Norwich Manufacturers Association was particularly helpful, and more than eighty manufacturers gathered at the Putnam Inn at 1:30 that afternoon.

The meeting was opened with a few words of welcome by Mr. E. Kent Hubbard, president of the Association, who then introduced Mr. Joseph R. Ensign, a member of the Tax Committee, who presided.

*Mr. Guy P. Miller*

Mr. Guy P. Miller, chairman of the Tax Committee was the first speaker. Mr. Miller felt that those present would be interested in hearing some facts concerning the local tax situation in Bridgeport, where Tax Commissioner Blodgett has been conducting an investigation, and gave a brief account of the conditions that had been found to exist there. In the opinion of Mr. Miller, what had been brought to light in Bridgeport served to emphasize the need of certain changes in the administration of local taxation, and he stated that he wished to put before those present, for their consideration three questions which he felt would in all probability develop to be of importance later on. The first of these was the need of a central authority authorized to interpret the tax laws, in the absence of court opinion, replacing the present system in which each community is a law unto itself and no uniform interpretation can be secured.

The second point which Mr. Miller recommended for discussion was the desirability of securing full publicity of returns. This has been done in certain localities with marked success, and he felt the publication of such lists, showing abatements, etc., to be desirable.

The third question was the possible ultimate action which might be taken in this state in regard to Boards of Relief. Mr. Miller stated that in the opinion of many, these Boards should either be abolished entirely or made state or county bodies, and that the question was one to which some thought should be given by all manufacturers.

*Mr. William H. Corbin*

Mr. William H. Corbin, member of the Tax Committee and former Tax Commissioner of Connecticut, was next called upon by Mr. Ensign. Mr. Corbin drew a laugh from the audience by a definition of taxation which he referred to as a process commonly compared to "plucking all the feathers from a goose that you can, with the least amount of squawking."

Mr. Corbin expressed himself in entire sympathy with the suggestion made by Mr. Miller for uniform interpretation, so much needed in Connecticut where 169 towns were each empowered to interpret to their own liking. He added, also that the passage of such a law had been attempted at a past session of the legislature but had failed of passage.

Mr. Corbin compared the old method of laying the state tax with the present system whereby the tax is apportioned to towns on the basis of income received, thereby making it a purely local issue, except in cases where competition with another town becomes a factor.

He repeated a question which had been asked him, namely, whether in his opinion taxing all property on its fair market value would tend to improve the manufacturers' condition and said that he believed they might fare better. He further expressed his opinion that tax collectors should be appointed, not elected; that Boards of Relief should be composed of the First Selectman, the chairman of the Board of Assessors and the Mayor; that each town should analyse and publish its proportionate expenditures.

Mr. Corbin laid much emphasis upon the responsibility of the manufacturer, particularly in the smaller communities for conditions that exist there. He urged them to interest themselves in the finances of their towns, to be responsible for seeing that the assessors understood the manufacturers' viewpoint and problems, and suggested that they make it their business to ascertain actual values, see if taxes are collected, and all in all become active participants in the town's affairs.

In closing, Mr. Corbin spoke of the excellent pamphlets published by Tax Commissioner Blodgett, having to do with various phases of local taxation, copies of which the Association sent to all its members some time ago.

The chairman then introduced Mr. W. Irving Bullard, member of the Tax Committee,

whose address will be found in full on page 5.

Following Mr. Bullard, Mr. Ensign called on Professor F. R. Fairchild of Yale University, tax advisor to the committee.

*Professor F. R. Fairchild*

Professor Fairchild's address was illustrated by a series of wall charts which he referred to from time to time.

*The American people, Professor Fairchild said, are paying \$7,500,000,000, in taxes out of an aggregate income of \$60,000,000,000, or about 12½%. Figured on a per capita basis this means \$68 out of an average income of \$550. While incomes have increased 50%, taxes have increased 200%, and each individual works 1½ months for the privilege of being governed.*

Referring to Connecticut taxes, he said that in twelve years revenues had grown from \$5,500,000 to \$22,500,000, tax revenue of towns from \$15,500,000 to \$42,000,000, and town taxes had tripled.

A reduction of town expenditures, if undertaken, must be accomplished in one of two ways, either by reducing the field of activities or by securing a more economical expenditure. To ascertain whether what is being paid for is worth while and whether it is being secured economically means looking into a town's affairs and brings one first of all to that most discouraging and almost insurmountable obstacle — a town accounting system. According to Professor Fairchild, municipalities have failed to improve their accounting systems along modern lines and they cannot be compared with the systems used by the modern manufacturer. He spoke in commendatory terms of the accomplishments of Massachusetts and New Hampshire in securing and publishing comparative statistics. In 1906 the Massachusetts Legislature requested the Director of the Bureau of Statistics to secure an annual report from every town of its revenues and expenditures, public debt and capital account of assets and liabilities. A few years of experimental work followed, and this report now comes out annually, showing a complete statement for each town. In 1910 the Statutes in Massachusetts provided that any town might petition for an audit and accounting system and about half of the towns have now done this. It is compulsory that every town have its accounts audited by the Bureau of Financial Statistics.

Professor Fairchild's recommendations were that the Connecticut State Legislature be asked to take some similar action to standardize town

accounting systems. Under present conditions it is out of the question to ascertain how one town compares in efficiency with another. If taxes are to be reduced without sacrificing the benefits and privileges of town government an investigation of this question must ultimately be made.

At the close of the meeting an opportunity was afforded those present to ask questions of the Committee, and after a number were heard the meeting, following a brief closing speech by Mr. Hubbard, adjourned.

**BOARD OF DIRECTORS MEETING**

The regular monthly meeting of the Board of Directors of the Association was held at the Torrington Club on June 4, where members of the Board were the guests of Mr. F. R. Apelt, director from Litchfield County. The next meeting will be July 9 and will be held either in Hartford or in the eastern part of the state.

**NEW MEMBERS**

Since the last issue of Connecticut Industry the following new members have joined the Association: The Tariffville Oxygen and Chemical Company, Tariffville; Max Pollack and Company, Inc., Groton; The New York, New Haven and Hartford Railroad, and the American Insulator Corporation, Danbury.

**NEW MEMBERS OF INDUSTRIAL RELATIONS COMMITTEE**

The Association's Committee on Industrial Relations has recently been enlarged and now has ten members. Those who have recently consented to serve on this committee are James W. Hook, president Geometric Tool Company, New Haven; R. E. Benner, factory manager Noiseless Typewriter Company, Middletown; W. B. Knight, agent, Quidnick-Windham Manufacturing Company, Willimantic and C. F. Dietz, president Bridgeport Brass Company, Bridgeport.

**FOREIGN TRADE CONVENTION**

The Association was represented at the Eleventh National Foreign Trade Convention held recently in Boston. About 1200 delegates attended, including a large number from Connecticut.

**COPIES OF NEW TAX BILL**

The Association has sent to all its members copies of the Federal Revenue Act of 1924, as recently passed by Congress, in order that they may have the complete law to refer to when important interpretations are announced.

Members are again reminded of the Association's Federal Tax Service, thru which all tax inquiries will be answered.



## FEDERAL LEGISLATION

The general relief which industry will feel after November has been in part realized by the adjournment of Congress. Industrialists as well as other groups are of the opinion that a permanent or at least a lengthy congressional vacation would mean much to the prosperity of the country. Necessarily such a course is impossible, but if for a number of years Congress could confine itself to appropriation bills and certain necessary legislation a great many of the objectionable features of congressional action could be eliminated.

In making this final report upon legislative proposals of industrial interest your Association calls attention to the fact that all measures now pending retain their status until the December session. It will therefore be understood that no bill remaining on the calendar is finally dead until after adjournment of that session. How industry will fare during the 69th Congress is, of course, dependent upon the make-up of that body.

### AGRICULTURE

The McNary-Haugen agricultural relief bill was rejected in the House on June 3, 1924 by a vote of 154 to 224.

### CONSTITUTIONAL AMENDMENTS

The Child Labor Amendment passed the Senate on June 2 by a vote of 61 to 23. Since the proposal had previously passed the House the bill now goes to the various state legislatures for ratification, where a three-quarters majority is necessary to make the amendment a part of the Federal Constitution. If the amendment should be ratified by the necessary number of legislatures it gives Congress complete authority to regulate or prohibit the labor of all persons under the age of eighteen.

While it is yet too early to determine whether or not the amendment will be ratified it may be said at the present writing that such action is extremely doubtful.

The fact that Connecticut Industry is widely

read was brought home most forcibly when the editor received more than one correction from the national capitol in regard to the information pertaining to the attitude of President Coolidge concerning this. The correction is here made that the late President Harding and President Coolidge favor a Child

Labor Amendment to the Federal Constitution. The article in the June issue of the magazine should have made note of this fact and further should have pointed out that the Amendment as passed by Congress would next go to the legislatures of the various states for ratification.

The so-called "Back-to-the-People" amendment (the Wadsworth-Garrett amendment) relating to the method of amending the Federal Constitution was reported to the House from

the Judiciary Committee on June 3 and reported to the Senate on May 28.

### IMMIGRATION

The President signed the Immigration Bill on May 26. It now is a Public Law. A digest of this bill was submitted to the membership under Legislative Bulletin No. 165.

### TAXATION

The Senate adopted the conference report on the Revenue Act on May 24 and the bill passed the House on May 26. The bill now stands as a Public Law having been signed by the President.

### TRANSPORTATION

The House Judiciary Committee on May 30 reported H. R. 9179, which is designed to regulate interstate commerce in firearms and gaming devices.

H. R. 6202, amending Sections 11 and 12 of the Merchant Marine Act of 1920, passed the Senate, amended, on May 22. It now stands as a Public Law, having previously passed the House.

The Howell-Barkley bill (S. 2646-H. R. 7358) was not voted on, on June 2 but

**Put this on Your Calendar Now!**

**ANNUAL MEETING**  
of the  
**Manufacturers Association**  
of  
**Connecticut**

**November 25, 1924**

remains as unfinished business on the House calendar and under the rules may come up for action on the first and third Mondays of each month during the 68th Congress. The Senate bill on this subject was reported favorably to the Senate on June 6 by the Committee on Interstate Commerce.

S. 863 (Robinson) passed the Senate on May 22. This bill related to the authority of the Interstate Commerce Commission to prescribe the character of express and baggage cars.

S. 2704 passed the House on June 4. This bill which remedied the situation created by the United States Supreme Court decision in the Wolf case was signed by the president on June 7. This bill extends the period for filing of suits on overcharged freight claims to three years.

#### GOVERNMENT IN INDUSTRY

The so-called Hull Bill and other bills of this nature which provide for the manufacture of materials and supplies used by government departments in Government arsenals and navy yards, still remain as unfinished business. A determined effort is expected on the part of the proponents of these bills during the December session.

#### TRUTH-IN-FABRICS

Lengthy hearings were held on the so-called Truth-in-Fabrics bills, reference to which has been made in previous issues of the magazine, but no action taken.

#### BONUS

Little comment is needed concerning the Bonus measures, which, as is well known, became law over the President's veto.

#### FOREIGN TRADE

H. R. 7034, the so-called Winslow Bill which provided for a Foreign Commerce Service in the Bureau of Foreign & Domestic Commerce, was rejected in the House June 5.

Among other measures which now stand as Public Laws by virtue of the signature of the President are:

A bill extending the rehabilitation and hospitalization facilities to all veterans of the world war.

A bill increasing the compensation of disabled veterans.

A resolution authorizing the Interstate Commerce Commission to make an investigation of freight rates.

The so-called Rogers bill for the re-organization of the consular service.

A bill authorizing an appropriation of \$165,000,000 for the improvement of roads during the years 1926 and 1927.

A bill prohibiting pollution of inter-coastal waters. Due to the efforts of the Association and of counsel for the National Association of Manufacturers this bill applies only to steamships and does not apply to plants on coastal waters.

A bill providing for the consolidation of all activities in the enforcement of the Volstead Act in an independent bureau to succeed the existing prohibition unit.

A bill creating an inland waterways corporation.

A bill authorizing the purchase by the Government of Cape Cod Canal in Massachusetts, at the cost of \$11,000,000.

Additional bills of interest to industry which have been introduced since the publication of the last list, in the June number are given below:

#### BONUS, COMPENSATION, ETC.

H. R. 9180 (Simmons) — Amending subsections 1, 2 and 3 of Sec. 302 of War Risk Insurance Act.

H. R. 9427 (Hudspeth) — To amend and modify War Risk Insurance Act.

H. R. 9430 (Connery) — To amend World War Adjusted Compensation Act.

H. R. 9431 (Manlove) — To amend Sec. 301 of War Risk Insurance Act.

#### COAL

H. R. 9195 (Taber) — To prevent shipment of impure coal.

#### FIRE ARMS

H. R. 9161 (Rubey) — Prohibiting use of mails for fire arms or any publication containing advertisement of same.

H. R. 9179 (Dyer) — To punish unlawful mailing or shipping in Interstate Commerce of fire arms, etc.

#### FUTURE TRADING

H. R. 8940 (Brand) — To prevent sale of cotton in future markets.

#### IMMIGRATION

H. J. Res. 272 (Sabath) — Permitting certain aliens to remain in excess of quota.

H. J. Res. 283 (Sabath) — Same.

LABOR

H. R. 9298 (Cooper) — Abolishing Railway Labor Board and providing for settlement of disputes.

H. R. 9491 (Parker) — To regulate interstate commerce in articles made by convict labor.

PATENTS, TRADE MARKS, ETC.

H. R. 8734 (Johnson) — Amending Sec. 1 of Act to Amend and Consolidate Copyright Acts.

H. R. 9137 (Dallinger) — Amending Act to Amend and Consolidate Copyright Acts.

H. R. 9492 (Reid) — To amend law relating to patents, trade marks, etc.

POLLUTION OF STREAMS

H. R. 9175 (Lineberger) — Prohibiting pollution of coastal waters by discharge of oil from ships.

H. R. 9199 (Wilson) — To prevent pollution by oil of navigable waters.

TARIFF

H. J. Res. 289 (Evans) — Exempting from duty all imports which are exchanged for American farm products for exportation.

S. 3357 (Edge) — Amending Act organizing customs service and administration of Tariff Act.

H. R. 8733 (Hadley) — To amend Tariff Act of 1922.

H. R. 9159 (Ackerman) — To amend Tariff Act of 1922.

H. R. 9316 (James) — To amend Tariff Act of 1922.

H. R. 9341 (Knutson) — To amend Tariff Act of 1922.

H. R. 9454 (Canfield) — Repealing Par. 229 of Schedule 2 of Tariff Act of 1922.

H. R. 9455 (Canfield) — Repealing Par. 317 of Schedule 3 of Tariff Act of 1922.

H. R. 9590 (Canfield) — Amending Schedule 2 of Tariff Act of 1922.

H. R. 9729 (Snyder) — Amending Tariff Act.

H. R. 9792 (Connery) — Amending Tariff Act.

TAXATION

H. J. Res. 290 (Sears) — For refund of certain taxes.

S. 3387 (Watson) — To provide for abatement and refund of excise taxes under certain conditions.

H. R. 9698 (Ackerman) — To amend Revenue Act of 1924.

TRANSPORTATION

H. J. Res. 307 (Greene) — To provide for investigation in regard to Sec. 28 of Merchant Marine Act.

H. Res. 319 (Cooper) — For consideration of H. R. 8578.

S. 3283 (Fletcher) — Amending Transportation Act.

S. 3315 (Shields) — Amending Sec. 206 of Transportation Act.

S. 3394 (Copeland) — Amending Sec. 26 of Interstate Commerce Commission Act.

H. R. 8735 (Hill) — Amending Sec. 4 of I. C. C. Act.

H. R. 8881 (Hull) — Amending Sec. 1 of I. C. C. Act.

H. R. 9173 (Sproul) — Penalizing railroads for failure to furnish cars within six days limiting time for loading, unloading, etc.

H. R. 9244 (Berger) — Government ownership for railroads, telegraph, telephone and express companies.

H. R. 9292 (Jacobstein) — Prohibiting Pullman surcharge.

H. R. 9436 (Snyder) — To amend Sec. 26 of I. C. C. Act.

H. R. 9452 (Dickstein) — Prohibiting public utilities from bringing rate actions in Federal Courts before securing final judgment in a state court.

H. R. 9637 (Newton) — Amending subdivisions 11 and 12 of Sec. 20 of I. C. C. Act.

H. R. 9728 (Johnson) — To extend time within which certain causes of action may be brought due to Government control.

MISCELLANEOUS

H. J. Res. 266 (Thomas) — Requiring a majority of three-fourths in Congress to declare war and to declare all contracts open to invalidation.

S. 3384 (Jones) — To establish a foreign commerce service in the Bureau of Foreign and Domestic Commerce.

H. R. 9293 (Gibson) — Creating a \$2,000,000,000 world commerce corporation.

H. R. 9453 (Dickstein) — Giving I. C. C. power to fix rates for telephone, telegraph, cable and wireless companies.

H. R. 9536 (Berger) — Repealing Sherman Anti-Trust Law and providing that all corporations producing 50% or more of any class of goods produced in country, be owned and operated by Government.

## TRANSPORTATION

### EXTENSION OF PERIOD FOR FILING SUITS ON OVERCHARGE

The Association sponsored S. 2704, a bill which remedies the situation created by the United States Supreme Court decision in the Wolf case. Copies of the bill which extends the period for filing of suits on overcharge claims to 3 years, may be secured from the Association headquarters in Hartford.

### CARRIERS LIABLE FOR FULL ACTUAL LOSS

The Supreme Court of the United States handed down a decision on May 26, 1924, in the case of the Adams Express Company, plaintiff in error, vs. W. W. Darden, in which it holds that it was the intention of Congress in its enactment of the first Cummins Amendment to make the carrier liable for the full actual loss, regardless of any agreement or representation of the shipper. Copies of this decision may be secured from the Association's headquarters.

### TELEPHONE AND TELEGRAPH MESSAGE TAX REPEALED

The Revenue Act of 1924, which was signed by the President, Monday, June 2, 1924, repeals the tax on telegraph and telephone messages, effective July 2, 1924. This Association favored a repeal of this tax.

### FREIGHT SERVICE

During the period since the publication of the last issue of Connecticut Industry the Traffic Department of your Association has handled 15 matters of freight service and is now engaged in bettering the over-night carload service to Brooklyn Piers, Waverly transfer service, service to Providence and to other points.

### VALUATION OF RAILROADS

The Interstate Commerce Commission has completed its first job under the La Follette valuation section of the Transportation Act, by placing the final valuation of \$49,016,268 on the Kansas City Southern Railway. It will be recalled that valuation has been placed on two or three of the smaller lines but that the Kansas City Southern is the first major road to be considered. The final figure was arrived at only after much litigation and many hearings and serves as an interesting prediction of what will happen in the attempt to value other major roads.

The Commission was divided against itself. Commissioners Eastman, Potter and Cox pre-

sented a minority opinion. One of the important phases of the majority opinion was the refusal of the Commission to publish the methods employed in fixing the valuation of the property. The opinion stated "We are not required by the Interstate Commerce Act to describe the methods by which the value is fixed." Commissioner Potter in his opinion states that "the value we are finding does not constitute a proper basis for rates, for the issue of securities nor for the recapture of excess earnings." Commissioner Potter determined on a valuation of \$60,000,000. Other valuations were placed at \$50,000,000., \$62,000,000., \$75,000,000. and \$80,000,000. Copies of the majority report and the disagreeing opinions may be secured from the Association's headquarters.

### EASTERN CLASS RATE INVESTIGATION

Transportation experts are beginning to express fear that the eastern class rate investigation can not be begun by the Interstate Commerce Commission before the summer recess. It is, however, believed that an order instituting an investigation will be issued shortly. This investigation will be along the lines of that conducted by Commissioner Eastman in regard to Southeastern class rates.

### THE RAILROAD LABOR BILL

It is reported elsewhere in this issue that the so-called Howell bill, which would place the railroads of the country in the hands of union labor, failed of enactment during the session of Congress just adjourned. The bill, however, remains upon the calendar as unfinished business and it may be taken up on the first and third Mondays of each month during the remaining session of the 68th Congress.

### FEDERAL SAFETY MOVEMENT

Three Connecticut men have accepted the invitation of Secretary Hoover to act on committees which are being formed by the Department of Commerce, to undertake a safety movement and to investigate the laws, management and condition of traffic. Dr. A. B. Meredith has accepted an appointment on the educational committee. Dr. J. C. Tracy of Yale University, will serve on the committee on statistics. Commissioner R. B. Stoeckel will act as a member of the traffic control committee.



## NEWS OF THE TRADES

### BRASS CITY HOLDS EXHIBIT

The exhibit of Waterbury-made products held in the Armory in that city, June 2-7, drew a record-breaking attendance. The occasion was the celebration of the 250th anniversary of the founding of Waterbury and the Armory itself, beautifully decorated, offered an excellent background for the attractively displayed exhibits.

Practically all of the city's many manufacturing concerns were represented and offered to the thousands of out-of-town visitors who came there, concrete evidence of the vast variety and quality of articles made in Waterbury.

The exposition, which was conducted by the Chamber of Commerce, included also mercantile exhibits.

### NEW FACTORY FOR NORWICH

The Connecticut Belting Company, incorporated for \$40,000 has taken a factory at 95 Chestnut Street, Norwich, where operations will be started as soon as machinery can be installed.

### STAMFORD PROPERTY CHANGES HANDS

The Carlisle Tire Co. plant at Stamford, including the land, buildings and equipment has been purchased by the Harris Construction Co. of that city, and announcement has been made that it will be devoted to manufacturing purposes.

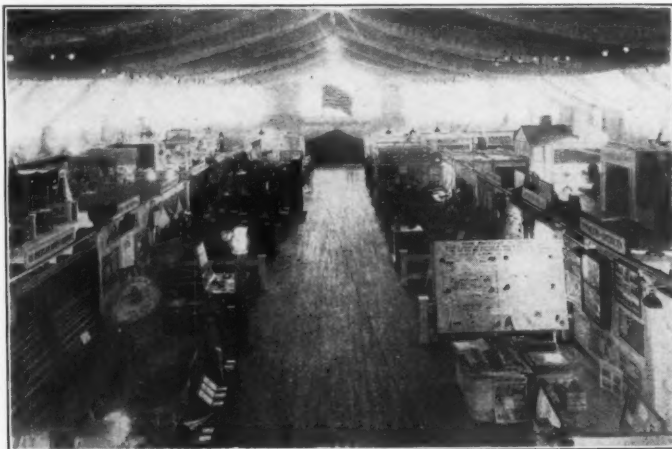
### NEW HAVEN TO HAVE NEW CONCERN

Announcement has been made that a new industry, the Electro Thermal Machinery Co. will erect a two-story building in New Haven, for the manufacture of automatic electric heating machines used in the treating of metal parts in the process of manufacture.

### NEW INCORPORATIONS

Among firms newly incorporated or organized in Connecticut are: The Dentner Mfg. Co., Portland; C. D. Hall, Stonington, automobile manufacturing and selling; McLaughlin Print-

ing Co., Stafford; Connecticut Belting Co., Norwich; Star Water Mfg. Co., Waterbury; Individual Laundry, Greenwich; Philips Mfg. Co., Meriden; Onondaga Textile Mills, New London; M. & S. Mfg. Co., Hartford, machinery and tools; Super Oil Heater Co., Hartford; Puritan Mfg. Co., Waterbury; Hardware Specialties Mfg. Co., Bridgeport; Scovill Mfg. Corp., Waterbury; Federal Oil Burner Mfg. Co., Bridgeport; Stamford Radio & Electric Co., Stamford; White Rose Laundry Co., Hartford; People's Premium Laundry, New Haven.



WATERBURY INDUSTRIAL & MERCANTILE EXPOSITION

### REST PERIODS AT BRIDGEPORT HARDWARE

At 10 A. M. and 3 P. M. every day all employees of the Bridgeport Hardware Manufacturing Corporation from the president to the office boy, cease all work for a ten minute period. Windows are opened and everyone takes part in Walter Camp's "Daily Dozen" to the time of a victrola record.

### ANNUAL MEETING OF THE MANUFACTURERS ASSOCIATION OF HARTFORD COUNTY

The Manufacturers Association of Hartford County held its annual meeting on Wednesday, June 11, at the Farmington Country Club. The meeting was largely attended, about 150 being present. The officers of the previous year were re-elected, the only change being the election of Mr. Arthur D. Coffin of the C. H. Dexter & Sons Company, to succeed Mr. S. E. Horton of the E. Horton & Son Company, as second vice-president.

### ANNUAL MEETING OF CONNECTICUT FOUNDRYMEN'S ASSOCIATION

The annual meeting of the Connecticut Foundrymen's Association was held at Meriden on Friday, June 13. All the officers were re-elected for the ensuing year.

## INDUSTRIAL SERVICE

### EDUCATIONAL WORK OF THE OPEN SHOP CONFERENCE

The members of the Connecticut Industrial Council were addressed at their last meeting held at the Hotel Bond, Hartford, on June 6, by Mr. W. J. Wilcox, the recently appointed Educational Director of the Open Shop Conference of Connecticut.

The present purpose of the Open Shop Conference Mr. Wilcox stated, is to stimulate trade training especially in the building and printing trades. Since its plans involve the co-operation of local trade associations, the Conference is not committed to any one plan of apprentice training, but expects to adapt its general scheme to the method which in the light of local conditions promises to be most fruitful.

The limitations imposed by financial considerations render simultaneous effort throughout the state impossible, so the policy adopted is a concentration of effort in one or two districts at a time. A recent survey of the painters' group in New Haven, in addition to emphasizing the predominance of open shop conditions in that trade, indicated a marked dearth of apprentices. Being convinced, then, that the urgent need at present is for an increase in the supply of trained tradesmen, the Open Shop Conference is bending its efforts toward supplying this need. The apprenticeship plan which has been accepted by the master painters and the Boardman School of the city of New Haven is the first outcome of its activities in this direction. The agreement provides for a course of instruction, both shop and academic, extending over a period of 3½ years. Pay, on a gradually rising scale, is to be granted for time spent in the school as well as in the shop, and continuous employment is to be provided wherever possible. Twelve firms have already agreed to take on an apprentice under the terms of the agreement.

Some results have been obtained also in Waterbury. The superintendent of the continuation school has cooperated wholeheartedly, and it is hoped that a night class in brick-laying may be inaugurated shortly.

The Open Shop Conference recently completed a survey of the printing industry in Connecticut, the results of which are expected to furnish the basis for a tentative program of at least two years' work in this field. The report, which was made under the direction of

the Conference by Mr. Harry A. Tukey, is an exhaustive treatment of the subject not only in regard to present conditions but also from the standpoint of training possibilities.

### CHANGES IN OFFICERS OF AFFILIATED ORGANIZATIONS

Since the last meeting of the Connecticut Industrial Council, the following changes have taken place in officers of associations affiliated with the Council:

*New London Manufacturers Association* — Mr. Harry E. Hasty, of the Robert Gair Company, Montville, has succeeded Mr. H. L. Hetherington of the Babcock Printing Press Company, New London, as president of the New London association.

*Manufacturers Association of Meriden* — Mr. W. H. Walther, of the Bradley & Hubbard Mfg. Company, Meriden, has succeeded Mr. B. L. Lawton, of the Connecticut Telephone and Electric Company, Meriden, as president of the Meriden association.

*Master Builders Association of New Haven* — Mr. Theodore F. Silkman, secretary of the Southern Connecticut Branch of the National Metal Trades Association, New Haven, has succeeded Mr. S. E. Champion, secretary of the Master Builders Association of New Haven.

*Connecticut Brick Manufacturers Association* — Mr. M. H. Donnelly, Donnelly Brick Company, New Britain, has succeeded Mr. R. O. Clark of the Eastern Brick Company, East Berlin, as president of the Brick Manufacturers Association.

### INDUSTRIAL RELATIONS CONFERENCE AT CAMP MOHEGAN

In cooperation with the New London Manufacturers Association and the Associated Service Club, the Industrial Department of the New London Y. M. C. A. has arranged an industrial relations conference for executives in eastern Connecticut industries at Camp Mohegan, Mystic, over the week-end of August 2. In addition to talks on industrial topics by Mr. Harry E. Hasty of the Robert Gair Co. and Mr. M. Henry Kerr of the Palmer Bros. Co., there will be informal discussions on subjects of interest to factory executives.

Further information may be obtained by addressing the conference secretary, Mr. R. W. Fistere, Y. M. C. A., New London, Conn.

## FEDERAL TAXATION SERVICE BUREAU

Copies of the new tax law have been sent out by the Association to all its members and inquiries will be gladly taken care of, concerning the application of any particular section of the law. Important interpretations, as issued by the Treasury Department will be sent out as occasion requires through bulletins or the magazine.

Space this month will be devoted largely to publication of a number of questions which have been asked this department, answers to which may be of interest to other firms than those making inquiry.

*a. Ques.* We have deducted from our returns the total cost of some special experimental machinery purchased in 1921, which has since been abandoned. Our right to make this deduction has been questioned.

*Ans.* You are entitled to deduct the total cost to you of this machinery, that is to say, the purchase price minus the resale value.

*b. Ques.* We have recently been advised of the assessment of an additional tax on our corporation for the year 1921. All previous returns have been adjudicated. The report of the examiner includes this paragraph—"The invested capital used in this report is the invested capital determined by the prior examiner changed for tax liability as determined by the Department. Inasmuch as the Department has allowed release, under Sec. 326, for the years 1917 to 1920 an adjustment should be made by the Department on the same basis for 1920." We believe we should file a claim for release for 1921 under Sec. 326, and would like to be advised how to do this. We should also like to know whether, in case the investigation should show that a larger assessment is due, it would probably be assessed or whether the amount referred to in the report would be the maximum.

*Ans.* A letter should be directed by your firm to the Commissioner of Internal Revenue, Washington, setting forth the facts in the case and requesting an adjustment on the same basis as previous years. Reference should be made to the paragraph you have quoted from the examiner's report in the following way: "It appears that this additional assessment is caused by the use of an amount of invested capital which was computed by a prior examiner, but this amount was changed by the Income Tax Unit in its audit of his report as is indicated by the following paragraph in the report of the present examination."

It is not at all likely that there would be an additional assessment of a larger amount than indicated in the Department's letter, as it appears that the additional assessment arose from this one particular adjustment.

*c. Ques.* At the close of 1923 we had a number of bad accounts on our books which were in the hands of receivers and on which we expected to realize little or nothing. Since that time our expectations have been verified. We filed a tentative report with the Treasury Department. Would it be possible for us to make deductions on our final report, taking in consideration these conditions?

*Ans.* Irrespective of what you reported in your tentative return you are entitled to take as a deduction in your final return for 1923, which should be filed prior to June 15, any and all bad debts which you believed to be incollectible at December 31, 1923, and which you had written off before closing your books for the year.

It would not be advisable to take as a deduction in your final return any amount for accounts which you had not written off prior to closing, but which you have since ascertained are incollectible, as this would necessitate re-opening your books. These can be taken as a deduction for this year.

*d. Ques.* Please advise us when the new tax rate of 2½% on Automobile Parts and Accessories referred to in your Tax Bulletin No. 31 becomes effective. Is the new rate retroactive as from January 1, 1924? If so, can it be deducted from future payments—in other words, can 2½% of the tax already paid for the months of January, February, March and April be deducted from May bills, payable in June?

*Ans.* This rate becomes effective 30 days after the enactment of the law; that is, midnight July 2. It is not retroactive.

*e. Ques.* Are there any changes under the new law of the dates on which corporation payments are due?

*Ans.* No.

### STAMP TAX REPEALED

Members are reminded that under the Revenue Act of 1924 the stamp tax on drafts or checks (payable otherwise than at sight or demand) and on promissory notes, is repealed. This repeal is effective midnight, July 2, 1924.

### EXTENSION OF TIME FOR CERTAIN RETURNS.

An extension of time up to and including September 15, 1924 has been granted for the filing of partnership returns (Form 1065 A) fiduciary returns (Form 1041) and corporation returns (Form 1120A) required to be filed for fiscal years ending on the last day of January, February, March, April and May, 1924. In the case of corporations this extension is granted upon condition that there is filed on the original due date a tentative return accompanied by at least one-fourth of the amount of estimated tax, and that subsequent instalments of tax are paid on the regular due dates. Any deficiency in tax as a result of estimating the instalments will bear interest at 6% from the instalment due date.

### EXTENSION OF DATE FOR CAPITAL STOCK TAX RETURNS

Forms 707 and 708 for filing capital stock tax returns covering the period from July 1, 1924 to June 30, 1925, under Sec. 700 of the new law have been revised and are expected to be ready for delivery by July 1. Revised regulations are also being prepared and should be ready at about the same time. As the revised forms will not be ready in time for corporations to file returns during the month of July, the final filing date is extended to September 30, 1924. (For returns to be filed with collector at Honolulu, the date is October 31, 1924.)

## SALES EXCHANGE

*In this department members may list without charge any new or used equipment or supplies. All copy must be in the hands of the editor by the fifteenth day of the month preceding publication.*

### FOR SALE

#### Brass

125 lbs.	3/32"	round free turning brass rod.
250 "	5/32"	" " " " spring brass rod.
200 "	11/64"	" " " " brass rod.
250 "	9/32"	square " " " " " "
32 "	1/2"	" " " " " " " "
1214 "	5/8"	hex. " " " " " " " "
50 "	11/16"	round " " " " " " " "
232 "	13/16"	" " " " " " " "
100 "	7/8"	" " " " " " " "
250 "	1"	" " " " " " " "

#### Steel

100 "	1/4"	hex. Bessemer free turning steel rod.
500 "	5/16"	square " " " " " " " "
500 "	11/32"	round " " " " " " " "
1000 "	13/32"	" " " " " " " "
500 "	7/16"	square " " " " " " " "
2000 "	.035	No. 15 spring music wire purchased from American Steel & Wire Co.
50,000 "	1-5/8" x .043—.046	C. R. O. H. No. 3 Stanley temper steel quarter hard, bright and free from scale.

1 piece of Vasco vanadium type "K" 8% carbon steel, 5-5/8" dia. x 11-1/2" long, weight 81 lbs.

1 Washing Machine, Nivin metal parts, model No. 1.  
Address S. E. 86.

#### Factory chairs as follows:

- 481, 20", unused.
- 295, 24", "
- 5, 30", "
- 176, 22", used.
- 923, 24", unused.
- 1759, 26", "
- 70, 26", used.
- 11, 30", unused.

Address S. E. 82.

Federal truck, 3 1/2 ton in first class condition. Address S. E. 83

#### Used equipment as follows:

- 1—Acetylene generator, 100 lb. capacity, 100 cu. ft. of gas per hour.
- 8—Flash back chambers.
- 4—Regulating valves.
- 5—Type W—3 ox. weld. torches.
- Sand blast equipment.

Address S. E. 84.

### FACTORY SPACE FOR SALE OR RENT.

1. Factory buildings of one, two and three story brick in center of prosperous village. Ample floor space with land enough for expansion. Equipped with machinery operated by water power, have natural and electric light and steam heat, high pressure water hydrants. Adjacent to railway.
2. Manufacturing or storage space in Hartford. Heated, equipped with elevators and thoroughly modern in every respect. 7,200 sq. ft. on one floor and basement of same size. Also 2 one-story buildings containing about 2,000 sq. ft. each.
3. Factory property in Greenville section of Norwich, Approximately 50,000 sq. ft. in three buildings, one 110' x 40', 2 floors; one 200' x 30', 1 floor; one 200' x 50', 3 floors. Brick mill construction, sprinkler system, electric lights and steam heat. About 2 acres of land and private siding on N. Y., N. H. & H. railroad.
4. Factory property in Bridgeport. 3 stories of brick factory construction, containing 17,454 sq. ft. Complete with electric lights, sprinklers and all modern equipment. Adjacent to railroad tracks.
5. Factory property in New Haven, consisting of group of several connecting units, containing approximately 53,000 sq. ft. Well lighted and of modern industrial construction. Located on branch New Haven Road, has 3 railway and 1 trolley siding and property extends for its full width of 357 feet to navigable water. Main floor has 10-ton crane and railway siding inside building. Ample storage space for coal and fuel oil.

## EMPLOYMENT SERVICE

*This department is open to all members without charge. All copy must be in the hands of the editor by the fifteenth day of the month preceding publication.*

**SALESMAN OR OFFICE EXECUTIVE**—American, age 36, married. Formerly with Y. M. C. A. as department head and afterward had practical experience in selling and in office work, including bookkeeping and accounting. Address P. W. 123.

**MECHANICAL ENGINEER**—Graduate of M. I. T. 1911. Married. Ten years experience with machine shop methods and organization. Three years engineering experience. At present production manager of tool-making concern. Address P. W. 124.

**SALESMAN**—Experienced in sales, executive and personnel work. Expert in crude rubber. Address P. W. 125.

**FACTORY MANAGER**—Experience in manufacturing from boiler room to general superintendent including designing of machinery, electrical and hardware articles, pumping

outfits, estimating and cost accounting and sales activities. Address P. W. 118.

**ACCOUNTANT**—Age 36, married. High school graduate, 2 years commercial academy and graduate of Walton School of Commerce. 14 years' experience in cost and general accounting in charge of departments and installation of systems. Address P. W. 119.

**MECHANICAL EXECUTIVE**—Age 42, married. Graduate mechanical engineering, Brooklyn Tech. Experienced 6 years as machinist, 2 years, mechanical draftsman, 6 years, machine tool designer, 3 years, master mechanic, 5 years, chief of planning. Address P. W. 120.

**PRODUCTION MANAGER**—American, Age 41, married. Experience in production and sales departments and familiar with general office work. Address P. W. 121.



